MEMORANDUM

To: Campus Faculty and Business/Grant Managers  
From: Jim Siedow, Vice Provost for Research  
Subject: Aligning Summer Effort with Summer Salaries  
Date: 12/08/10

Earlier this year, I announced that an ad hoc committee had been formed to review our compliance position and to make recommendations for potential changes to the University’s current practices related to faculty effort and compensation during the summer months. Federal sponsors have placed a greater emphasis on the alignment of effort and compensation, therefore, we believe this review was timely and warranted. The proposed changes were first made public earlier this semester.

I want to stress that the University is honoring its long-held commitment to allowing faculty with nine-month appointments to recover three full ninths salary during the summer. Faculty with three ninth’s summer commitments will be able to both meet their effort commitment and be compensated for their work. These aspects of the policy are not changing. This policy seeks to give faculty greater flexibility in how they distribute their sponsored effort and align their compensation with their effort throughout the year. In addition, the new policy will eliminate the “100% problem” on federal grants and contracts including federal flow-through dollars where a full commitment to one month leaves faculty no time for vacations, course and proposal development, or administrative duties, among other professional activities.

Over the course of the semester, we have had the opportunity to present these recommendations to various committees (the Research Policy Committee, UPC, APC, the Deans Cabinet, and ECAC) culminating with a review and acceptance by the Academic Council at its November 18th meeting. During each of these meetings, the faculty have recognized the basic problem as well as the need to change current practices. The committee recommendations are summarized briefly below. Please see the attached PowerPoint presentation for departmental distribution.

The Recommendations:

1. Continue to allow summer compensation to be spread over four months (May, June, July, and August).
2. Limit the maximum compensation from federal grants and contracts, including federal flow-through dollars during any given summer month to 75% of the previous academic year’s monthly salary.

3. Limit federal sources to paying a maximum of 2.5 months of summer salary. The remaining 0.5 month can be taken from institutional funds or other non-federal sources. It should be noted that other sponsor restrictions such as NSF’s limit of two month’s salary may also apply.

**Implementation:**

Faculty will no longer be able to charge 100% of their effort for one summer month to federal grants and contracts including federal flow-through dollars. Summer effort, and associated funding, can be spread across all four summer months May, June, July and August. Faculty who are fully committed during the summer will be expected to dedicate and charge no more than 75% of their effort to each of the four summer months.

*Exception:* It is recognized that faculty may conduct field work or other off-site research during the summer and be away from campus for weeks if not months at a time, thus devoting 100% effort to their project. Such instances should be documented and a waiver of the 75% rule requested from the Vice Provost for Research.

Because the University is restricting the maximum amount of salary that can be recovered during the summer on federal grants and contracts including federal flow-through dollars to 2.5 months, the remaining half month of effort and salary can be committed, performed and paid in the academic year. This practice will both better align effort and compensation and create a salary savings pool in each school’s budget. From this pool of institutional funds a half month’s worth of salary and fringe benefits will be used to pay the extra half month of salary and applicable fringe benefits needed to achieve a full three months of summer salary.

The committee and I recognize that there will be challenges in implementing this policy at the school and departmental levels; however, we believe that these changes will increase the ability of faculty to better manage their effort and reduce or remove commitment overlaps and salary/effort mismatches. These changes will also allow faculty to better align their effort with their compensation, thus reducing greatly the risk of effort-related audit findings.

Questions regarding the implementation of this policy should be directed to the appropriate administrative dean of your school.

Questions about the new policy itself can be directed to Keith Hurka-Owen in ORS or to me.